



AGENDA
SPECIAL MEETING OF COUNCIL
Saturday, April 27, 2024
10:00 a.m.
Council Chambers

- 1.0 CALL TO ORDER**

- 2.0 NEW BUSINESS**
 - 2.1 Audited Financial Statements

- 3.0 ADJOURNMENT**

Called by Mayor Peel on April 24, 2024

A handwritten signature in blue ink, appearing to read "J. Peel", is written over a faint, circular official stamp or seal.

TOWN OF MILLET
Consolidated Financial Statements
For the Year Ended December 31, 2023

DRAFT

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

Management is responsible for the preparation and presentation of the accompanying consolidated financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian public sector accounting standards. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibility for the integrity and fairness of the consolidated financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded, and financial records are properly maintained to provide reliable information for the preparation of the consolidated financial statements.

The elected Mayor and Council of the Town of Millet are composed entirely of individuals who are neither management nor employees of the Town. The Mayor and Council have the responsibility of meeting with management and the external auditors to discuss the internal controls over the financial reporting process, auditing matters, and financial reporting issues. The Mayor and Council are also responsible for the appointment of the Municipality's external auditors.

Metrix Group LLP, Chartered Professional Accountants, have been appointed by the Town's Council to express an opinion on the Municipality's consolidated financial statements and report directly to them. The external auditors have full and free access to and meet periodically and separately with both the Mayor and Council and management to discuss their audit findings.

Ms. Lisa Schoening,
Chief Administrative Officer

Millet, Alberta
April 27, 2024

INDEPENDENT AUDITORS' REPORT

To the Mayor and Council of Town of Millet

Opinion

We have audited the consolidated financial statements of Town of Millet (the Town), which comprise the consolidated statement of financial position as at December 31, 2023, and the consolidated statements of operations and accumulated surplus, changes in net financial assets and cash flows for the year then ended, and a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Town as at December 31, 2023, the results of its operations, changes in net financial assets, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Consolidated Consolidated Financial Statements* section of our report. We are independent of the Town in accordance with ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Town's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Town or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Town's financial reporting process.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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Independent Auditors' Report to the Mayor and Council of Town of Millet (*continued*)

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Town's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Town to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Chartered Professional Accountants

Edmonton, Alberta
April 27, 2024

TOWN OF MILLET
Consolidated Statement of Financial Position
As at December 31, 2023

	2023	2022
ASSETS		
Cash and temporary investments (Note 2)	\$ 3,420,257	\$ 2,850,985
Investments (Note 3)	3,060,921	3,773,184
Taxes and grants in lieu receivables (Note 4)	131,103	170,250
Trade and other receivables (Note 5)	<u>2,797,585</u>	<u>1,729,379</u>
	9,409,866	8,523,798
LIABILITIES		
Accounts payable and accrued liabilities (Note 7)	751,194	1,168,398
Deposit liabilities	19,359	15,664
Deferred revenue (Note 8)	738,176	393,474
Long term debt (Note 9)	1,442,517	1,543,769
Asset Retirement Obligations (Note 11)	<u>6,335,857</u>	<u>1,237,000</u>
	9,287,103	4,358,305
NET FINANCIAL ASSETS	<u>122,763</u>	<u>4,165,493</u>
NON-FINANCIAL ASSETS		
Tangible capital assets (Schedule 3)	28,552,709	23,359,217
Prepaid expenses	175,004	205,324
Inventory for consumption	<u>13,267</u>	<u>12,723</u>
	28,740,980	23,577,264
ACCUMULATED SURPLUS (SCHEDULE 6, NOTE 12)	<u>\$ 28,863,743</u>	<u>\$ 27,742,757</u>
CONTRACTUAL OBLIGATIONS (Note 14)		
CONTINGENCIES (Note 19)		

ON BEHALF OF COUNCIL

_____ Mayor

_____ Councillor

The accompanying notes are an integral part of these consolidated financial statements.

TOWN OF MILLET

Consolidated Statement of Operations and Accumulated Surplus

For the Year Ended December 31, 2023

	2023 (Budget) (Note 16)	2023 (Actual)	2022 (Actual)
REVENUE			
Sales and user charges	\$ 2,601,523	\$ 3,055,216	\$ 2,784,024
Net municipal taxes <i>(Schedule 1)</i>	2,015,449	2,059,889	1,937,776
Government transfers for operating <i>(Schedule 2)</i>	331,110	468,676	414,988
Franchise and concession contracts <i>(Note 13)</i>	315,240	293,500	307,159
Rentals	185,700	217,500	163,790
Investment income	87,000	187,915	109,262
Penalties and costs on taxes	60,000	42,439	61,585
Licenses, permits, and fines	44,500	38,100	47,442
Other	-	4,554	884
Developer levies	-	-	589,091
	<u>5,640,522</u>	<u>6,367,789</u>	<u>6,416,001</u>
EXPENSES			
Waste management	856,354	1,522,828	1,361,639
Administration	1,020,270	1,148,505	897,317
Parks and recreation	1,018,473	1,131,290	1,081,543
Transportation	684,676	745,792	711,433
Water supply and distribution	611,476	546,021	477,590
Protective services	473,133	518,674	443,222
Waste water treatment and disposal	307,515	350,227	339,897
Planning and development	256,347	279,282	94,891
Community services	126,266	175,941	150,593
Legislative	135,358	117,100	115,884
	<u>5,489,868</u>	<u>6,535,660</u>	<u>5,674,009</u>
ANNUAL SURPLUS (DEFICIT) BEFORE OTHER INCOME	<u>150,654</u>	<u>(167,871)</u>	<u>741,992</u>
OTHER INCOME			
Change in accounting policy	-	1,237,056	-
Government transfers for capital <i>(Schedule 2)</i>	-	53,422	267,283
Gain (loss) on disposal of tangible capital assets	-	(1,621)	40,881
	<u>-</u>	<u>1,288,857</u>	<u>308,164</u>
ANNUAL SURPLUS	150,654	1,120,986	1,050,156
ACCUMULATED SURPLUS - BEGINNING OF YEAR	<u>27,742,757</u>	<u>27,742,757</u>	<u>26,692,601</u>
ACCUMULATED SURPLUS - END OF YEAR (SCHEDULE 6, NOTE 12)	<u>\$ 27,893,411</u>	<u>\$ 28,863,743</u>	<u>\$ 27,742,757</u>

The accompanying notes are an integral part of these consolidated financial statements.

TOWN OF MILLET
Consolidated Statement of Changes in Net Financial Assets
Year Ended December 31, 2023

	2023 (Budget) (Note 16)	2023 (Actual)	2022 (Actual)
ANNUAL SURPLUS	\$ 150,654	\$ 1,120,986	\$ 1,050,156
Amortization of tangible capital assets	859,500	1,481,311	1,172,780
Acquisition of tangible capital assets	(369,800)	(6,688,803)	(3,346,735)
Proceeds on disposal of tangible capital assets	-	12,380	59,554
Loss (gain) on disposal of tangible capital assets	-	1,621	(40,881)
Net change in prepaid expenses	-	30,319	(56,801)
Net change in inventory for consumption	-	(544)	16,196
	<u>859,500</u>	<u>(5,163,716)</u>	<u>(2,195,887)</u>
INCREASE (DECREASE) IN NET FINANCIAL ASSETS	1,010,154	(4,042,730)	(1,145,731)
NET FINANCIAL ASSETS - BEGINNING OF YEAR	4,165,493	4,165,493	5,311,224
NET FINANCIAL ASSETS - END OF YEAR	<u>\$ 5,175,647</u>	<u>\$ 122,763</u>	<u>\$ 4,165,493</u>

The accompanying notes are an integral part of these consolidated financial statements.

TOWN OF MILLET
Consolidated Statement of Cash Flows
For The Year Ended December 31, 2023

	2023	2022
OPERATING ACTIVITIES		
Annual surplus	\$ 1,120,986	\$ 1,050,156
Items not affecting cash:		
Amortization of tangible capital assets	1,481,311	1,172,780
Gain (loss) on disposal of tangible capital assets	1,621	(40,881)
	<u>2,603,918</u>	<u>2,182,055</u>
Changes in non-cash working capital:		
Taxes and grants in lieu receivables	39,147	16,270
Trade and other receivables	(1,068,206)	1,409,755
Accounts payable and accrued liabilities	(417,201)	166,913
Deposit liabilities	3,695	3,250
Deferred revenue	344,702	260,067
Asset retirement obligations	5,098,857	221,583
Inventory for consumption	(544)	16,196
Prepaid expenses	30,319	(56,801)
	<u>4,030,769</u>	<u>2,037,233</u>
	<u>6,634,687</u>	<u>4,219,288</u>
INVESTING ACTIVITIES		
Purchase of investments	-	(242,126)
Proceeds on sale of investments	712,263	-
	<u>712,263</u>	<u>(242,126)</u>
FINANCING ACTIVITIES		
Repayment of long-term debt	(101,255)	(98,472)
CAPITAL ACTIVITIES		
Acquisition of tangible capital assets	(6,688,803)	(3,346,735)
Proceeds on disposal of tangible capital assets	12,380	59,554
	<u>(6,676,423)</u>	<u>(3,287,181)</u>
NET CHANGE IN CASH AND TEMPORARY INVESTMENTS DURING THE YEAR	569,272	591,509
CASH AND TEMPORARY INVESTMENTS - BEGINNING OF YEAR	2,850,985	2,259,476
CASH AND TEMPORARY INVESTMENTS - END OF YEAR (Note 2)	\$ 3,420,257	\$ 2,850,985

The accompanying notes are an integral part of these consolidated financial statements.

TOWN OF MILLET
Notes to Consolidated Financial Statements
Year Ended December 31, 2023

1. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements of the Town of Millet (the "Town") are the representation of management, prepared in accordance with Canadian public sector accounting standards. Significant aspects of the accounting policies adopted by the Town are as follows.

Reporting entity

The consolidated financial statements reflect the assets, liabilities, revenues and expenses, changes in net financial position and cash flow of the reporting entity. This entity is comprised of the municipal operations plus all of the organizations that are owned or controlled by the Municipality and are, therefore, accountable to the Town's Council for the administration of their financial affairs and resources.

The Municipality is a member of the West Dried Meat Lake Regional Solid Waste Authority (the "Authority"). The Municipality accounts for the Authority as a government partnership using the proportionate consolidation method. Under this method, the Municipality's proportionate share of assets, liabilities, revenue and expenses are included in the consolidated financial statements.

The schedule of taxes levied also includes requisitions for education, health, social and other external organizations that are not part of the municipal reporting entity.

Basis of accounting

The consolidated financial statements are prepared using the accrual basis of accounting. The accrual basis of accounting records revenue as it is earned and measurable. Expenses are recognized as they are incurred and measurable based upon receipt of goods or services and/or the legal obligation to pay.

Funds from external parties and earnings thereon restricted by agreement or legislation are accounted for as deferred revenue until used for the purpose specified.

Tax revenue

Property tax revenue is based on market value of assessments determined in accordance with the *Municipal Government Act*. Tax rates are established annually. Taxation revenues are recorded at the time tax notices are issued. Assessments are subject to appeal.

Construction and borrowing costs associated with local improvement projects are recovered through annual special property assessments during the period of the related borrowing. These levies are collectible from property owners for work performed by the Town. Under the accrual basis of accounting, revenues to be received from local improvement assessments are recognized in full in the period the local improvement project costs are incurred and the passing of the related imposition by-law.

Requisition over-levies and under-levies

Over-levies and under-levies arise from the difference between the actual property tax levy made to cover each requisition and the actual amount requisitioned.

If the actual levy exceeds the requisition, the over-levy is accrued as a liability and property tax revenue is reduced. In situations where the actual levy is less than the requisition amount, the under-levy is accrued as a receivable and as property tax revenue.

Requisition tax rates in the subsequent year are adjusted for any over-levies or under-levies of the prior year.

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TOWN OF MILLET
Notes to Consolidated Financial Statements
Year Ended December 31, 2023

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

Government transfers

Government transfers are the transfer of assets from senior levels of government that are not the result of an exchange transaction, are not expected to be repaid in the future, or the result of a direct financial return.

Government transfers are recognized in the consolidated financial statements as revenue in the period in which events giving rise to the transfer occurred, providing the transfers are authorized, any eligibility criteria have been met by the Town, and reasonable estimates of the amounts can be made.

Cash and temporary investments

Cash and temporary investments include items that are readily convertible to known amounts of cash, are subject to an insignificant risk of change in value, and have a maturity of three months or less at acquisition.

Investments

Fixed income investments are recorded at amortized cost. Purchase premiums and discounts are amortized on the net present value basis over the terms of the issues. Pooled funds are recorded at cost. Where there has been a loss in the value that is other than a temporary decline, the respective investment is written down to recognize the loss.

Investment income is recorded as revenue in the period earned.

Asset retirement obligations

Asset retirement obligations are legal obligations associated with the retirement tangible capital assets. Asset retirement activities include all activities related to an asset retirement obligation. These may include, but are not limited to:

- Decommissioning or dismantling a tangible capital asset that was acquired, constructed or developed;
- Remediation of contamination of a tangible capital asset created by its normal use;
- Post-retirement activities such as monitoring; and
- Constructing other tangible capital assets to perform post-retirement activities.

Asset retirement obligations are initially measured at the later of the date of acquisition or legislative obligation. When a liability for an asset retirement obligation is recognized, the asset retirement costs are added to the carrying amount of the related tangible capital asset in productive use and are amortized over the estimated useful life of the related tangible capital asset. Asset retirement costs related to unrecognized tangible capital assets or for tangible capital assets no longer in productive use are expensed in the consolidated statement of operations.

When the future retirement date is unknown, the asset retirement obligation is measured at the current estimated cost to settle or otherwise extinguish the liability. When the future retirement date is known, a present value technique is used to measure the liability. Subsequent to the initial measurement, the asset retirement obligation is adjusted to reflect the passage of time and changes in the estimated future cash flows underlying the obligation and is recognized as an accretion expense in the consolidated statement of operations.

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TOWN OF MILLET
Notes to Consolidated Financial Statements
Year Ended December 31, 2023

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

Non-financial assets

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the normal course of operations. The change in non-financial assets during the year, together with the annual surplus, provides the change in net financial assets for the year.

Tangible capital assets

Tangible capital assets are recorded at cost which includes all amounts that are directly attributable to acquisition, construction, development or betterment of the asset.

Tangible capital assets are amortized on a straight-line basis at the following rates:

Land improvements	20 years
Buildings	50 years
Vehicles	10 - 25 years
Engineered structures	
Roads	25 years
Curbs, gutters, signs, sidewalks	30 years
Storm sewer	75 years
Water systems	45 - 75 years
Sewer systems	45 - 75 years
Machinery and equipment	5-25 years

Tangible capital assets acquired during the year but not placed into use are not amortized until they are placed into use.

Leases

Leases are classified as either capital or operating leases. Leases which transfer substantially all of the benefits and risks incidental to ownership of property are accounted for as capital leases. All other leases are accounted for as operating leases and the related lease payments are charged to expenses as incurred.

Inventory for consumption

Inventory is valued at the lower of cost and net realizable value with the cost being determined using the average cost method.

Use of estimates

The preparation of consolidated financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Where measurement uncertainty exists, the financial statements have been prepared within reasonable limits of materiality. Actual results could differ from these estimates.

Accounts receivable are stated after evaluation as to their collectibility and an appropriate allowance for doubtful accounts is provided where considered necessary. The amounts recorded for valuation of tangible capital assets, the useful lives and related amortization of tangible capital assets, future cash flows associated with asset retirement obligations, and contingent liabilities are areas where management makes significant estimates and assumptions in determining the amounts to be recorded in the consolidated financial statements

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TOWN OF MILLET
Notes to Consolidated Financial Statements
Year Ended December 31, 2023

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

Future changes in significant accounting policies

The following summarizes upcoming changes to the Canadian public sector accounting standards. The Town will continue to assess the impact and prepare for the adoption of these standards

(i) Public Private Partnerships

PS 3160, Public Private Partnerships, establishes standards on how to account for public private partnership arrangements (recognition of infrastructure assets and the corresponding liability to the private partnership) along with the disclosure and presentation requirements. This standard is applicable to fiscal years beginning on or after April 1, 2023.

(ii) Revenue

PS 3400, Revenue, establishes standards on how to account for and report revenue differentiating between revenue arising from transactions that include performance obligations and transactions that do not. This standard is applicable to fiscal years beginning on or after April 1, 2023.

(iii) Purchased Intangible Assets

PSG-8, Purchased Intangible Assets, provides guidance regarding the recognition, measurement, and disclosure of purchased intangible assets in relation to the conceptual framework for financial reporting in the public sector. This guideline is applicable to fiscal years beginning on or after April 1, 2023.

(iv) Financial Statement Presentation

PS 1202, Financial Statement Presentation, sets out general and specific requirements for the presentation of information in general purpose financial statements. The financial statement principles are based on the concepts in the Conceptual Framework for Financial Reporting in the Public Sector. This standard is applicable to fiscal years beginning on or after April 1, 2026

2. CASH AND TEMPORARY INVESTMENTS

	<u>2023</u>	<u>2022</u>
Cash	\$ 484,130	\$ 436,318
Temporary investments	2,936,127	2,414,667
	\$ 3,420,257	\$ 2,850,985

Temporary investments are short-term deposits with original maturities of three months or less bearing interest at rates ranging from 5.55% to 5.65%.

TOWN OF MILLET
Notes to Consolidated Financial Statements
Year Ended December 31, 2023

3. INVESTMENT

	2023		2022	
	Carrying Value	Market Value	Carrying Value	Market Value
Pooled fixed income investments	\$ 2,560,921	\$ 2,364,619	\$ 2,586,959	\$ 2,307,841
Guaranteed investment certificates	500,000	500,000	1,186,225	1,186,225
	<u>3,060,921</u>	<u>\$ 2,864,619</u>	<u>3,773,184</u>	<u>\$ 3,494,066</u>

The market value of the pooled fixed income investments are based on quoted market values. The market value of the pooled fixed income investments fluctuate with changes in market interest rates and indices. When there has been a loss in value that is other than a temporary decline, the respective investment is written down to recognize the loss. Market values are based on market conditions at a certain point in time and as such, may not be reflective of future values.

The Guaranteed Investment Certificates have interest rates ranging from 0.95% to 1.60% (2022 - 0.85% to 4.62%) mature in 2025.

4. TAXES AND GRANTS IN PLACE OF TAXES RECEIVABLE

	2023	2022
Current taxes	\$ 112,859	\$ 89,055
Arrears taxes	18,244	130,155
	<u>131,103</u>	<u>219,210</u>
Less: Allowance for doubtful accounts	<u>-</u>	<u>(48,960)</u>
	<u>\$ 131,103</u>	<u>\$ 170,250</u>

5. TRADE AND OTHER RECEIVABLES

	2023	2022
Trade and other receivables	\$ 2,545,711	\$ 1,476,872
Due from other governments	224,084	230,382
Goods and Services Tax recoverable	38,718	33,053
	<u>2,808,513</u>	<u>1,740,307</u>
Allowance for doubtful accounts	<u>(10,928)</u>	<u>(10,928)</u>
	<u>\$ 2,797,585</u>	<u>\$ 1,729,379</u>

6. OPERATING LINE OF CREDIT

The Town has access to a credit facility with ATB Financial, which includes an approved revolving operating line that can be drawn upon to a maximum of \$1,500,000, which bears interest at the prime rate plus 1.00% and is secured by all assets of the Town at large. As at December 31, 2023, the Town had not drawn on the operating line (2022 - \$NIL).

TOWN OF MILLET
Notes to Consolidated Financial Statements
Year Ended December 31, 2023

7. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	<u>2023</u>	<u>2022</u>
Trade and other payables	\$ 669,431	\$ 1,087,357
Vacation payable	48,103	35,502
Wages payable	33,660	31,857
Payable to other governments	-	13,682
	<u>\$ 751,194</u>	<u>\$ 1,168,398</u>

8. DEFERRED REVENUE

Deferred revenue is comprised of the following amounts, which have been received from various third parties and are restricted to the eligible operating and capital projects as approved in the funding agreements for a specified purpose. Additions are composed of both contributions and interest earned during the year. These amounts are recognized as revenue in the period in which the related costs are incurred.

	<u>2022</u>	<u>Additions</u>	<u>Revenue Recognized</u>	<u>2023</u>
Canada Community Building Fund	\$ 211,683	\$ 133,427	\$ 13,355	331,755
Municipal Sustainability Initiative	-	242,448	-	242,448
General Municipal Services	128,142	133,149	117,308	143,983
Family and Community Support Services	53,649	104,892	138,551	19,990
	<u>\$ 393,474</u>	<u>\$ 613,916</u>	<u>\$ 269,214</u>	<u>738,176</u>

9. LONG TERM DEBT

	<u>2023</u>	<u>2022</u>
Tax supported debentures	\$ 1,113,476	\$ 1,189,385
Self-supported debentures	329,041	354,384
	<u>\$ 1,442,517</u>	<u>\$ 1,543,769</u>

The current portion of the long-term debt amounts to \$104,124 (2022 - \$101,253).

Principal repayment terms are approximately:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 104,124	\$ 37,040	\$ 141,164
2025	107,085	34,079	141,164
2026	110,140	31,024	141,164
2027	113,292	27,872	141,164
2028	96,652	24,860	121,512
Thereafter	911,224	119,090	1,030,314
	<u>\$ 1,442,517</u>	<u>\$ 273,965</u>	<u>\$ 1,716,482</u>

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TOWN OF MILLET
Notes to Consolidated Financial Statements
Year Ended December 31, 2023

LONG TERM DEBT (continued)

Debenture debt is repayable to the Province of Alberta and consists of three amounts, bearing interest at rates ranging from 2.3320% to 4.8935% per annum maturing between 2027 and 2042.

Debenture debt is issued on the credit and security of the Town at large.

Interest on long-term debt amounted to \$38,757 (2022 - \$53,368). The Town's total cash payments for interest is \$39,911 (2021 - \$42,695).

10. DEBT LIMITS

Section 276(2) of the *Municipal Government Act* requires that debt and debt limits, as defined by *Alberta Regulation 255/2000*, for the Town be disclosed as follows:

	<u>2023</u>	<u>2022</u>
Total debt limit	\$ 9,551,684	\$ 9,624,002
Total debt	<u>1,442,517</u>	<u>1,543,769</u>
Amount of debt limit unused	<u>\$ 8,109,167</u>	<u>\$ 8,080,233</u>
Debt servicing limit	\$ 1,591,947	\$ 1,604,000
Debt servicing	<u>(141,164)</u>	<u>(141,164)</u>
Amount of service on debt limit unused	<u>\$ 1,450,783</u>	<u>\$ 1,462,836</u>

The debt limit is calculated at 1.5 times revenue of the Town (as defined in *Alberta Regulation 255/2000*) and the debt service limit is calculated at 0.25 times such revenue. Incurring debt beyond these limits requires approval by the Minister of Municipal Affairs. These thresholds are guidelines used by Alberta Municipal Affairs to identify municipalities which could be at financial risk if further debt is acquired. The calculation taken alone does not represent the financial stability of the Town. Rather, the consolidated financial statements must be interpreted as a whole.

TOWN OF MILLET

Notes to Consolidated Financial Statements

Year Ended December 31, 2023

11. ASSET RETIREMENT OBLIGATIONS

Tangible capital assets with associated retirement obligations include land improvements, buildings and engineered structures.

The Town has asset retirement obligations to remove various hazardous materials including, asbestos, lead, mercury, and mold from various buildings under its control. Regulations require the Town to handle and dispose of these materials in a prescribed manner when it is disturbed, such as when the building undergoes renovations or is demolished. Although the timing of the removal is conditional on the building undergoing renovations or being demolished, regulations create an existing obligation for the Town to remove the materials when the asset retirement activities occur.

The West Dried Meat Lake Authority has asset retirement obligations pursuant to the Environmental Enhancement and Protection Act (Alberta) to fund the closure of its landfill sites and provide for the post-closure care of the facilities. Closure and post-closure activities include the the final covering and landscaping, surface and ground water monitoring, leachate control, site inspection, and maintenance. The Authority is required to provide closure care upon closure of the landfill and to provide post-closure care for 25 years subsequent to closure.

	<u>2023</u>	<u>2022</u>
Net change in the year		
Upon adoption of PS 3820	\$ 6,034,149	\$ -
Accretion expense	301,708	-
	<hr/>	<hr/>
Balance, End of Year	\$ 6,335,857	\$ -

Asset retirement obligations of \$6,335,856 are measured using a present value technique. The present value was calculated using estimated total undiscounted cash flow amounting to \$34,104,177 a discount rate of 5.00% and an annual inflation of 2.00% with retirement and reclamation activities expected to be settled between 2024 and 2067.

TOWN OF MILLET
Notes to Consolidated Financial Statements
Year Ended December 31, 2023

12. ACCUMULATED SURPLUS

Accumulated surplus consists of restricted and unrestricted amounts and equity in tangible capital assets as follows:

	<u>2023</u>	<u>2022</u>
Unrestricted surplus	\$ 2,414,420	\$ 564,273
Restricted surplus		
Operating reserves		
Utility stabilization	388,631	264,852
Solid waste	37,767	50,102
Crime reward	36,863	36,863
General operating	38,074	28,074
Cemetery maintenance	16,705	15,312
Other	600	600
	<u>518,640</u>	<u>395,803</u>
Capital reserves		
WDML - closure & post closure	2,424,632	2,155,379
WDML - capital reserve	1,188,958	741,720
General	691,788	1,257,764
Capital equipment replacement	626,295	635,697
Major facility	114,078	124,978
Sewer	53,798	26,473
Water	43,102	17,427
Agriplex	5,902	-
Street improvement program	4,127	4,127
Other	2,239	2,239
Transportation	1,429	1,429
	<u>5,156,348</u>	<u>4,967,233</u>
Equity in tangible capital assets	<u>20,774,335</u>	<u>21,815,448</u>
	\$ 28,863,743	\$ 27,742,757

13. FRANCHISE AND CONCESSION CONTRACTS

Disclosure of utility franchise agreement annual revenues as required by *Alberta Regulation 313/2000* is as follows:

	<u>2023</u>	<u>2022</u>
Fortis Alberta	\$ 180,852	\$ 178,089
ATCO Gas	<u>112,648</u>	<u>129,070</u>
	\$ 293,500	\$ 307,159

TOWN OF MILLET
Notes to Consolidated Financial Statements
Year Ended December 31, 2023

14. CONTRACTUAL OBLIGATIONS

The Town leases two vehicles with Enterprise Fleet Management expiring June 2024. The annual lease payments are \$17,803 and the remaining commitment under these leases are as follows:

Contractual obligation repayment schedule:

2024	<u>\$ 13,352</u>
------	------------------

15. LOCAL AUTHORITIES PENSION PLAN

Employees of the Town participate in the Local Authorities Pension Plan (LAPP), which is covered by the *Public Sector Pension Plans Act*. LAPP is financed by employer and employee contributions and investment earnings of the LAPP Fund.

The Town is required to make current service contributions to the LAPP of 8.45% (2022 - 8.45%) of pensionable earnings up to the Canada Pension Plan year's maximum pensionable earnings and 12.23% (2022 - 12.80%) for the excess. Employees of the Town are required to make current service contributions of 7.45% (2022 - 7.45%) of pensionable earnings up to the year's maximum pensionable earnings of 11.23% (2022 - 11.80%) on pensionable earnings above this amount.

Total current and past service contributions made by the Town to the LAPP in 2023 were \$83,247 (2022 - \$71,970). Total current and past service contributions made by the employees of the Town to the LAPP in 2023 were \$74,214 (2022 - \$64,178).

At December 31, 2022, the LAPP disclosed an actuarial surplus of \$12.7 billion (2021 - \$11.92 billion).

16. BUDGET

The 2023 budget data presented in these consolidated financial statements is based on the operating and capital budgets approved by Council on December 13, 2023. The chart below reconciles the approved budget to the figures reported in these financial statements.

	2023 (Budget)	2023	2022 (Actual)
Annual surplus (deficit)	\$ 150,654	\$ 1,120,986	\$ 1,050,156
Transfers (to) from reserves	(1,161,346)	503,661	(242,182)
Principal debt repayments	(101,252)	(101,255)	(98,472)
Acquisition of tangible capital assets	(369,800)	(6,688,803)	(3,346,735)
Amortization of tangible capital assets	1,481,744	1,481,744	1,172,780
Gain on disposal of tangible capital assets	-	1,621	(40,881)
Proceeds on disposal of tangible capital assets	-	12,380	59,554
Results of operations as budgeted	<u>\$ -</u>	<u>\$ (3,669,666)</u>	<u>\$ (1,445,780)</u>

TOWN OF MILLET
Notes to Consolidated Financial Statements
Year Ended December 31, 2023

17. SEGMENTED DISCLOSURE

The Town provides a range of services to its taxpayers. For each reported segment, revenues and expenses both amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis. The accounting policies used in these segments are consistent with those followed in the preparation of the consolidated financial statements as disclosed in Note 1.

(a) General Government

General Government is comprised of the Town's Council, the Office of the Chief Administrative Officer, and Finance.

Council makes decisions regarding service delivery and service levels on behalf of the Town in order to balance the needs and wants of Town residents in a financial responsible manner.

(b) Protective Services

Protective Services is comprised of Fire, Emergency Measures, and Municipal Enforcement Services. Fire Services is responsible to provide fire suppression services; fire prevention programs; training and education related to fire prevention; and the detection and/or extinguishments of fires. Emergency Measures is responsible for the prevention, preparedness and response to disasters and emergencies. Municipal Enforcement Services provide police and bylaw enforcement that ranges from community standards, to traffic safety, to animal control as well as provincial statute enforcement with authorities granted by the Solicitor General of Alberta.

(c) Transportation

Transportation is comprised of the Public Works area. They are responsible for the maintenance of the roadway and storm systems of the Town.

(d) Public Utilities

Public Utilities are comprised of water, waste water, and waste management services. They are responsible for providing a water supply, a sanitary sewage collection and disposal system, and a waste disposal service.

(e) Public Health and Welfare

Public Health provides services mandated by Family and Community Support Services Alberta through a shared funding model between the Province of Alberta and the Town.

(f) Planning and Development

Planning and Development is responsible for the planning and development of the Town's infrastructure system and work with developers in planning the growth of the Town in a sustainable manner.

(g) Recreation and Culture

Recreation and Culture provide recreational and cultural services and activities which promote the well-being of its citizens. These areas are responsible for the parks, playgrounds, facilities, and green spaces of the Town. This area also acts as a liaison between community groups and providing grant funding.

(continues)

TOWN OF MILLET

Notes to Consolidated Financial Statements

Year Ended December 31, 2023

17. SEGMENTED DISCLOSURE *(continued)*

Certain allocation methodologies are employed in the preparation of segmented financial information. Net municipal taxes are unallocated to segments and are presented under General Revenue. Sales and user charges have been allocated to the segment based upon the segment that generated the revenue. Government transfers have been allocated to the segment based upon the purpose for which the transfer was made. For additional information see the Schedule of Segmented Disclosure (Schedule 5).

18. FINANCIAL INSTRUMENTS

The Town's financial instruments consist of cash and temporary investments, taxes and grants in place of taxes receivable, trade and other receivables, due from other governments, and accounts payable and accrued liabilities. It is management's opinion that the Town is not exposed to significant market, liquidity and currency risk arising from these financial instruments.

The Town is exposed to credit risk with respect to taxes and grants in place of taxes receivables and trade and other receivables. Credit risk arises from the possibility that taxpayers and entities to which the Town provides services may experience financial difficulty and be unable to fulfil their obligations. The large number and diversity of taxpayers and customers minimizes the credit risk.

The Town is exposed to interest rate risk with respect to the operating line of credit. Interest rate risk arises from interest rate fluctuations through its variable interest line of credit. As at December 31, 2023, no balance was drawn on the operating line of credit.

Unless otherwise noted, the fair values of these financial instruments approximate their carrying values.

19. CONTINGENCIES

During 2012, the Town expropriated land for the development of a municipal campground. As a result, an application for Determination of Compensation has been made to the Land Compensation Board seeking additional market value compensation and damages in the amount of \$2,700,000. The evaluation from the Town's legal counsel is a likely settlement in the amount of \$414,000 which has been recorded as a liability in these consolidated financial statements.

As a member of the West Dried Meat Lake Regional Solid Waste Authority, the Town is potentially liable if the Authority is unable to meet its obligations.

The Alberta Environmental Protection and Enhancement Act sets out the regulatory requirements to properly close and maintain all active and inactive landfill sites.

TOWN OF MILLET**Notes to Consolidated Financial Statements****Year Ended December 31, 2023****20. WEST DRIED MEAT LAKE REGIONAL SOLID WASTE AUTHORITY**

The Town has a non-controlling interest in West Dried Meat Lake Regional Solid Waste Authority (the "Authority"). The purpose of the Authority is to administer and maintain a solid waste landfill. The non-controlling interest entitle the Town one vote in the operations of the Authority and the requirement to pay an annual requisition to deliver solid waste. There are currently four members, including the Town. In the case of dissolution, the members are entitled to evenly divide 25% of the remaining net assets after settling all of the environmental liabilities. The membership agreement has no expiration date.

The Following is a summary of the Town's share in this government partnership:

	<u>2023</u>	<u>2022</u>
FINANCIAL ASSETS		
Cash and cash equivalents	\$ 38	\$ 37
Investments	3,060,921	3,773,184
Trade and other receivables	1,725,685	595,001
	<u>4,786,644</u>	<u>4,368,222</u>
LIABILITIES		
Accounts payable and accrued liabilities	28,881	380,564
Deposit liabilities	1,250	1,250
Asset retirement obligation	2,876,276	1,237,000
	<u>2,906,407</u>	<u>1,618,814</u>
NET FINANCIAL ASSETS	1,880,237	2,749,409
NON-FINANCIAL ASSETS		
Tangible capital assets	6,203,482	3,672,681
Prepaid expenses	5,057	47,840
Inventory for consumption	9,904	12,257
	<u>6,218,443</u>	<u>3,732,778</u>
ACCUMULATED SURPLUS	8,098,680	6,482,187
REVENUE		
Sales and user charges	1,556,961	1,491,690
Investment income	33,565	38,432
Government transfers for operating	22,091	21,716
	<u>1,612,617</u>	<u>1,551,838</u>
EXPENSES		
Waste management	1,221,637	1,091,662
OTHER INCOME		
Change in accounting policy	1,237,056	-
ANNUAL SURPLUS	\$ 1,628,036	\$ 460,176

TOWN OF MILLET
Notes to Consolidated Financial Statements
Year Ended December 31, 2023

21. SALARIES AND BENEFITS DISCLOSURE

Disclosure of salaries and benefits for the Town's officials, the Chief Administrative Officer and designated officers are required by *Alberta Regulation 313/2000*, is as follows:

	Salary (1)	Benefits (2)	2023	2022
Mayor Doug Peel	\$ 18,466	\$ 940	\$ 19,406	\$ 20,200
Councillor Mike Bennett	13,646	48	13,694	15,067
Councillor Rebecca Frost	13,039	616	13,655	14,970
Councillor Mathew Starky	14,389	696	15,085	13,707
Councillor Charlene Van de Kraats	13,585	648	14,233	13,549
Councillor Gerdie Hogstead	14,838	48	14,886	13,257
Councillor Susie Petrisor	13,643	603	14,246	8,309
Councillor Marlene Alberts	-	-	-	2,602
	\$ 101,606	\$ 3,599	\$ 105,205	\$ 101,661
Chief administrative officer (1, 2)	\$ 153,083	\$ 28,190	\$ 181,273	\$ 169,825
Designated officers (1, 2)	65,812	24,025	89,837	105,106
	\$ 218,895	\$ 52,215	\$ 271,110	\$ 274,931

(1) Salary includes regular base pay, bonuses, overtime lump sum payments, gross honoraria and any other direct cash remuneration.

(2) Employer's share of all employee benefits and contributions or payments made on behalf of employees including health care, dental coverage, vision coverage, group life insurance, accidental disability and dismemberment insurance, long and short term disability plans, professional memberships and tuition's.

(3) Former elected official.

22. CHANGE IN ACCOUNTING POLICY

Effective January 1, 2023, the Town has adopted Canadian public sector accounting standards PS 1201 Financial Statement Presentation, PS 2601 Foreign Currency Translation, PS 3041 Portfolio Investments, PS 3450 – Financial Instruments, and PS 3280 Asset Retirement Obligations required and have applied the standards prospectively. Comparative results have not been restated. The primary changes to the Town's financial statements from the previous years are as follows:

PS 3280 Asset Retirement Obligations

On the effective date of the PS 3280 standard, the Municipality recognized the following to conform to the new standard;

- Asset retirement obligations where the event giving rise to the obligation (i.e., acquisition, construction, development or normal use) occurred on or after January 1, 2023;
- Asset retirement obligations where the event giving rise to the obligation arose prior to January 1, 2023 and the obligation has not been previously recognized; and
- Asset retirement obligations where the event giving rise to the obligation arose prior to January 1, 2023, and the previously recognized obligation requires adjustment in applying this standard.

TOWN OF MILLET
Notes to Consolidated Financial Statements
Year Ended December 31, 2023

23. COMPARATIVE FIGURES

Some of the comparative figures have been reclassified to conform to the current year's presentation.

24. APPROVAL OF THE FINANCIAL STATEMENTS

Council and management have approved these consolidated financial statements on April 24, 2024.

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TOWN OF MILLET

Consolidated Schedule of Property Taxes Levied

(Schedule 1)

For the Year Ended December 31, 2023

	2023 (Budget) (Note 16)	2023 (Actual)	2022 (Actual)
TAXATION			
Real property taxes	\$ 2,659,213	\$ 2,632,487	\$ 2,510,518
Linear property taxes	-	52,459	53,662
Government grants in lieu	2,600	1,590	1,911
	<u>2,661,813</u>	<u>2,686,536</u>	<u>2,566,091</u>
REQUISITIONS			
Alberta School Foundation Fund	602,596	580,049	581,475
Seniors Foundation	43,487	46,598	46,840
Designated Industrial Properties	281	-	-
	<u>646,364</u>	<u>626,647</u>	<u>628,315</u>
NET MUNICIPAL TAXES	<u>\$ 2,015,449</u>	<u>\$ 2,059,889</u>	<u>\$ 1,937,776</u>

The accompanying notes are an integral part of these consolidated financial statements.

TOWN OF MILLET
Consolidated Schedule of Government Transfers
For the Year Ended December 31, 2023

(Schedule 2)

	2023 (Budget) (Note 16)	2023 (Actual)	2022 (Actual)
TRANSFER FOR OPERATING			
Local governments	\$ 194,671	\$ 184,366	\$ 210,518
Provincial government	130,239	284,310	198,170
Federal government	6,200	-	6,300
	<u>331,110</u>	<u>468,676</u>	<u>414,988</u>
TRANSFER FOR CAPITAL			
Provincial government	-	53,422	229,783
Local governments	-	-	37,500
	<u>-</u>	<u>53,422</u>	<u>267,283</u>
TOTAL GOVERNMENT TRANSFERS	<u>\$ 331,110</u>	<u>\$ 522,098</u>	<u>\$ 682,271</u>

The accompanying notes are an integral part of these consolidated financial statements.

TOWN OF MILLET

Consolidated Schedule of Tangible Capital Assets

(Schedule 3)

For the Year Ended December 31, 2023

	Land & Land Improvements	Buildings	Machinery & Equipment	Vehicles	Engineered Structures	Construction in Progress	2023	2022
Cost								
Balance, beginning of year	\$ 6,905,561	\$ 7,686,513	\$ 3,816,719	\$ 526,911	\$ 22,064,588	\$ 63,796	\$ 41,064,088	\$ 37,865,195
Additions	2,996,217	132,043	122,225	115,471	3,261,287	61,560	6,688,803	3,346,735
Disposals	-	-	-	(24,000)	(2,000)	-	(26,000)	(147,842)
Balance, end of year	\$ 9,901,778	\$ 7,818,556	\$ 3,938,944	\$ 618,382	\$ 25,323,875	\$ 125,356	\$ 47,726,891	\$ 41,064,088
Accumulated Amortization								
Balance, beginning of year	\$ 2,839,636	\$ 2,226,167	\$ 1,918,944	\$ 406,125	\$ 10,313,999	\$ -	\$ 17,704,871	\$ 16,661,260
Amortization	403,247	220,334	286,551	35,213	535,966	-	1,481,311	1,172,780
Disposals	-	-	-	(12,000)	-	-	(12,000)	(129,169)
Balance, end of year	\$ 3,242,883	\$ 2,446,501	\$ 2,205,495	\$ 429,338	\$ 10,849,965	\$ -	\$ 19,174,182	\$ 17,704,871
Net Book Value	\$ 6,658,895	\$ 5,372,055	\$ 1,733,449	\$ 189,044	\$ 14,473,910	\$ 125,356	\$ 28,552,709	\$ 23,359,217

The accompanying notes are an integral part of these consolidated financial statements.

TOWN OF MILLET**Consolidated Schedule of Equity in Tangible Capital Assets****(Schedule 4)****For the Year Ended December 31, 2023**

	2023	2022
BALANCE, BEGINNING OF YEAR	\$ 21,815,448	\$ 19,561,694
Amortization of tangible capital assets	(1,481,311)	(1,172,780)
Acquisition of tangible capital assets	6,688,803	3,346,735
Net book value of tangible capital assets disposed of	(14,000)	(18,673)
Repayment of long-term debt	101,252	98,472
Asset retirement obligation additions	(6,335,857)	-
BALANCE, END OF YEAR	\$ 20,774,335	\$ 21,815,448
Equity in tangible capital assets is comprised of the following:		
Tangible capital assets (net book value)	\$ 28,552,709	\$ 23,359,217
Long-term debt	(1,442,517)	(1,543,769)
Asset retirement obligations	(6,335,857)	-
	\$ 20,774,335	\$ 21,815,448

The accompanying notes are an integral part of these consolidated financial statements.

TOWN OF MILLET

Consolidated Schedule of Segmented Disclosure

For the Year Ended December 31, 2023

(Schedule 5)

	General Government	Protective Services	Transportation	Public Utilities	Public health & welfare	Planning & Development	Recreation & Culture	2023	2022
REVENUE									
Sales and user charges	\$ 19,959	\$ 112,758	\$ -	\$ 2,739,022	\$ 15,511	\$ 134,123	\$ 33,843	\$ 3,055,216	\$ 2,784,024
Net municipal taxes	2,059,889	-	-	-	-	-	-	2,059,889	1,937,776
Government transfers	145,758	-	-	22,091	140,152	-	160,675	468,676	414,988
Franchise and concession contracts	293,500	-	-	-	-	-	-	293,500	307,159
Rentals	35,799	-	37,513	-	-	-	144,188	217,500	163,790
Investment income	153,953	-	-	33,565	397	-	-	187,915	109,262
Other revenues	22,572	1,649	-	-	4,554	13,879	-	42,654	637,417
Penalties and costs on taxes	36,662	-	-	5,777	-	-	-	42,439	61,585
	2,768,092	114,407	37,513	2,800,455	160,614	148,002	338,706	6,367,789	6,416,001
EXPENSES									
Salaries, wages and benefits	521,578	227,324	108,475	494,427	42,277	106,846	506,843	2,007,770	1,835,510
Amortization	125,641	33,083	345,963	809,399	-	-	167,225	1,481,311	1,172,779
Materials, goods and supplies	29,296	149,660	216,079	533,692	116,206	15,793	198,690	1,259,416	1,188,884
Contracted services	371,367	107,607	75,275	413,121	17,458	36,711	152,349	1,173,888	1,107,640
Accretion	164,742	-	-	136,966	-	-	-	301,708	-
Transfers to local boards, agencies and other organizations	-	1,000	-	27,028	-	104,932	97,679	230,639	67,220
Interest on long-term debt	26,414	-	-	3,839	-	-	8,504	38,757	53,368
Other expenses	11,036	-	-	-	-	15,000	-	26,036	226,230
Provision for allowance	15,531	-	-	604	-	-	-	16,135	22,377
	1,265,605	518,674	745,792	2,419,076	175,941	279,282	1,131,290	6,535,660	5,674,008
OTHER INCOME (EXPENSES)									
Change in accounting policy	-	-	-	1,237,056	-	-	-	1,237,056	-
Government transfers for capital	40,067	-	13,355	-	-	-	-	53,422	267,283
Gain (loss) on disposal of tangible capital assets	(1,621)	-	-	-	-	-	-	(1,621)	40,881
	38,446	-	13,355	1,237,056	-	-	-	1,288,857	308,164
ANNUAL SURPLUS	\$ 1,540,933	\$ (404,267)	\$ (694,924)	\$ 1,618,435	\$ (15,327)	\$ (131,280)	\$ 1,469,996	\$ 1,120,986	\$ 1,050,157

The accompanying notes are an integral part of these consolidated financial statements.

TOWN OF MILLET
Consolidated Schedule of Changes in Accumulated Surplus
For The Year Ended December 31, 2023

(Schedule 6)

	Unrestricted Surplus	Restricted Surplus	Equity in Tangible Capital Assets	2023	2022
BALANCE, BEGINNING OF YEAR AS PREVIOUSLY STATED	\$ 564,273	\$ 5,363,036	\$ 21,815,448	\$ 27,742,757	\$ 26,692,601
Annual surplus	1,120,986	-	-	1,120,986	1,050,156
Acquisition of tangible capital assets	(6,688,803)	-	6,688,803	-	-
Amortization of tangible capital assets	1,481,311	-	(1,481,311)	-	-
Disposal of tangible capital assets	14,000	-	(14,000)	-	-
Accretion	301,708	-	(301,708)	-	-
Repayment of long-term debt	(101,252)	-	101,252	-	-
Asset retirement obligations adoption	6,034,149	-	(6,034,149)	-	-
Transfer to restricted	(311,952)	311,952	-	-	-
BALANCE, END OF YEAR	\$ 2,414,420	\$ 5,674,988	\$ 20,774,335	\$ 28,863,743	\$ 27,742,757

The accompanying notes are an integral part of these consolidated financial statements.